

KEYSTONE SURVEYS, INC.
44 West Broadway, Suite 704
Salt Lake City, Utah 84101

5/023/041
RECEIVED
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DIVISION OF
OIL, GAS AND MINING

**RECLAMATION PLAN FOR EXPLORATION PROJECT E23/00/033
(Eureka/Sunbeam/West Mammoth) AND SMALL MINING
OPERATION S23/00/041 (Mammoth Mine)**

Submitted July 14, 2000 by Spenst Hansen (an individual), Keystone Surveys, Inc., West Tintic Mining Company, and South Iron Blossom Mining Company.

The location of the below designated sites have been plotted by DOGM agents on a U.S.G.S. Topographic map at an approximate scale of 1 inch to 1,000 feet. The below numbered sites correspond to the numbers on the DOGM map and on the printed "Key for Reclamation Disturbance" provided by DOGM. The below written location descriptions are provided for convenience.

A. Exploration Project – E/023/033 (Eureka/Sunbeam/West Mammoth).

1. C.E. Holden Tunnel

The Centennial Eureka Holden Tunnel is located approximately 2000 ft. westerly from Eureka town and about 200 ft. northerly from U.S. Highway 6, on the northern facing slope of Eureka Ridge. The Holden Tunnel was constructed in 1909 as a secondary entrance to the Centennial Eureka mine for ore haulage from the 550 ft. level. The tunnel was used for this purpose until 1940, when it was closed by caving the overlying surface overburden by US Smelting and Refining Company, the owners. The tunnel was reopened and retimbered as required in 1988 by Centurion Mining Co. for exploration access to the underground workings of the Centennial Eureka Mine. The tunnel is valuable for continuing mine access and provides ventilation in the Centennial Eureka mine. The portal of the Holden tunnel begins in unconsolidated alluvium (measures 9ft. x 12 ft.) at the portal. The tunnel is currently securely sealed with a steel gate set inside the tunnel about 40 ft. The closure is rendered more secure by screwed and bolted mine timbers at the entrance to the portal. Other than the reopening and replacing weakened timbers by Centurion Mining Co. in 1988, there has been no post-1974 law disturbances.

No mining of any kind has been carried out. Only a very small quantity of broken rock and rotted mine timbers have been removed from underground. Sage and wild grasses are growing around the portal and with the exception of a small area to the right of the portal there is no evidence of mine wastes or dumps.

Recommendations for site reclamation include adding additional mine timbers to the portal to make certain unauthorized access cannot be gained by the public. Also, cleanup of the old mine timbers near the portal will be done, and reseeding of the small quantity of broken rock removed as a part of the retimbering work in 1988.

The below two photos show the interior steel gate and the surface portal closure with mine timbers.



Top photo: Centennial Eureka Holden Tunnel showing the surface closure and vegetation.

Bottom photo: Interior steel gate. (202-6)

2. C.E. (Centennial Eureka) Shaft

The Centennial Eureka shaft is located on the northerly facing slope of Eureka Ridge, about 2500 feet southerly from the Holden Tunnel. The Centennial Eureka shaft was constructed prior to 1900. The original “headframe” remains in place, and has been declared an historical site. The Centennial Eureka Mine was one of the top producers in the Tintic District. The wooden headframe and shaft collar are in fair condition. Some interior repair of the shaft (including setting of timbers, etc.) was carried out between 1988 and 1993 by Centurion Mines Corp. This was done for interior mine mapping and sampling purposes. The shaft wall rock is competent limestone. The area surrounding the shaft is overgrown with vegetation.

There has been no post 1974 law disturbances to the Centennial Eureka shaft. Centurion Mines Corporation and predecessor owners had sealed the shaft with a layer of mine timbers and 3 inch by 12 inch lagging which effectively prevented access. These timbers and lagging are screwed to the collar. Presently there are three timbers in need of replacement due to vandalism and theft. Access to the site is restricted by a fence and locked gate. Recommendations for site reclamation include the replacement of the damaged and missing timbers and bolting chain link fencing on top of the timbers.

There is no post 1974 law surface disturbance that remains unreclaimed at the C. E. Shaft site. The attached photos show the present condition of the C.E. Shaft.

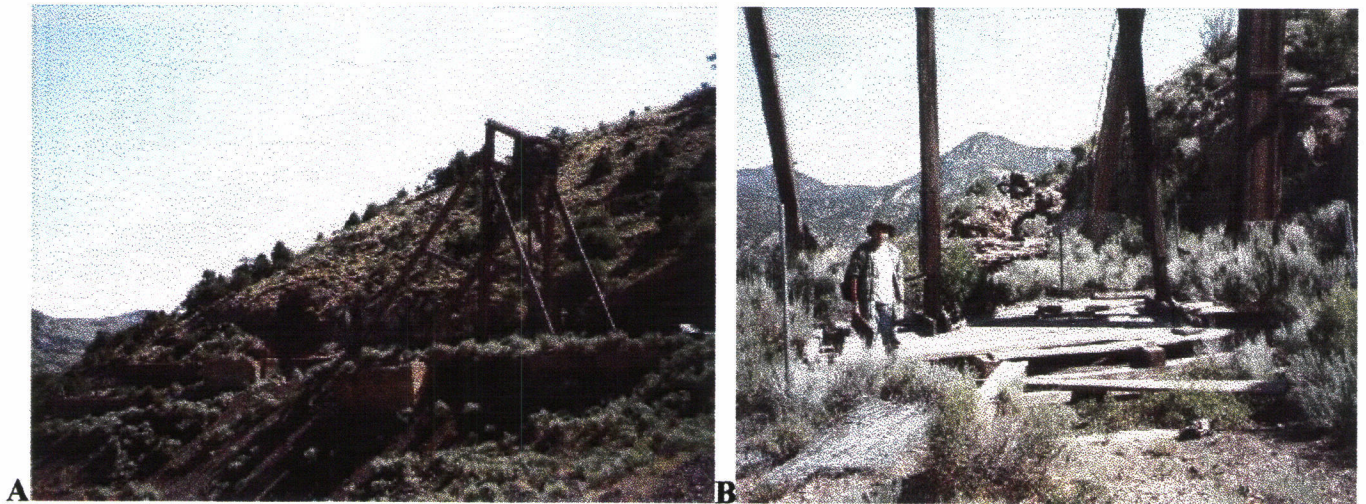


Photo A: The historical Centennial Eureka head frame and adjacent area looking north. (201-16)

Photo B: The Centennial Eureka shaft and surrounding vegetated area looking north. (201-13)

3. Chicken Hawk, Boarding House, New Years, and un-named surface adits.

There has been no post 1974 law disturbance at the Chicken Hawk, Boarding House, New Years, and nearby un-named adits. These adits were constructed between 1880 and 1900, and were used as mining access openings to explore and mine the uppermost ore bodies in the Centennial Eureka, Mine. Photographs appear below that show the present condition of the surface openings of these adits. They all lie to the south of the Centennial Eureka shaft on the up-hill side. The adits were used for access to the upper levels of the Centennial Eureka mine ore bodies and have not been operated for more than 100 years. These adits are mainly in competent rock with occasional sluffing, because of the length of time since they were constructed. Most of the underground mine timbers are in poor condition.. The area is vegetated with trees, brush and various grasses. The adits have been used mainly by Centurion Mines Corporation geologists for underground exploration access. No construction work has been carried out at these locations.

Currently these adits are open with no entrance restriction. Access by unauthorized persons (general public) could be dangerous. Keystone currently controls access by the use of a gated and locked fence about ½ mile north east. There has been no post 1974 law disturbance at these adit sites, and natural vegetation has taken over and covered earlier disturbances. Keystone et al does not believe reclamation is required. The adit portals should be closed by the Mine Closure Department of the Utah Department of Natural Resources.

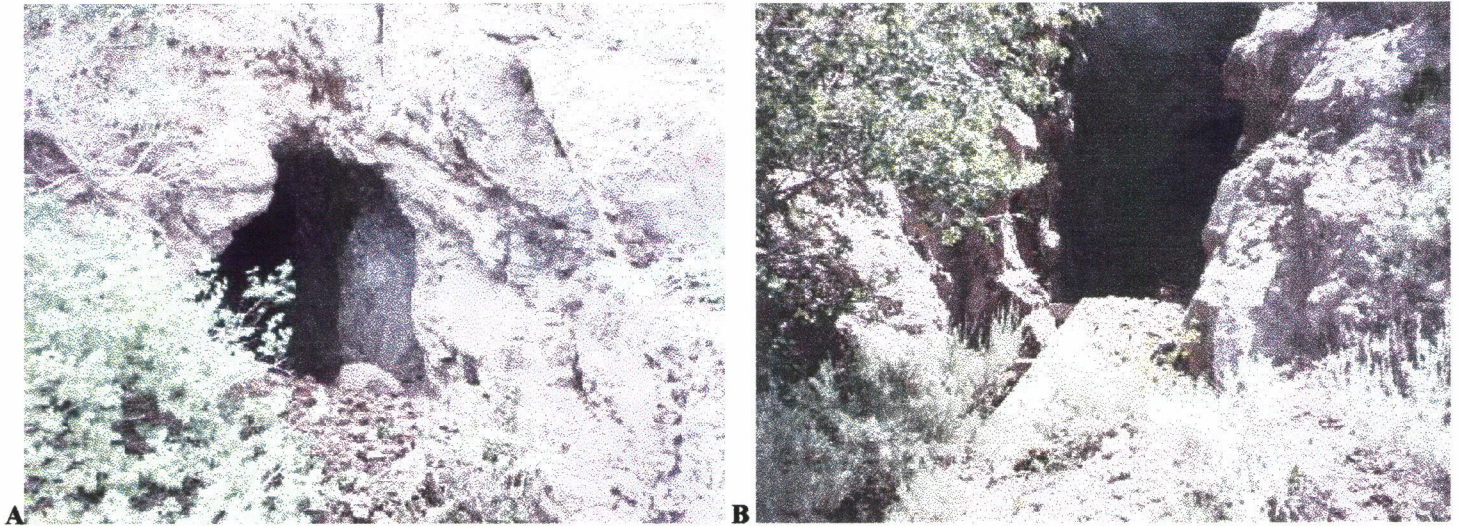


Photo A: The Chicken Hawk adit and surrounding vegetated area looking easterly. (201-18)

Photo B: The Boarding House adit and surrounding vegetated area looking easterly (201-24)

4. Grand Central Tunnel

The Grand Central Tunnel is located on the south facing slope of Eureka Ridge 800' southwest of the Grand Central shaft, and about ½ mile southeast from Mammoth Townsite. The Grand Central tunnel was constructed about 1930 by American Smelting and Refining Company (the leasees of the Grand Central Mine) for shaft access and ore removal. An effort was made by Centurion Mines Corporation about 1993 to re-open this tunnel to access the Grand Central Shaft on the 190 level. This attempt was unsuccessful because of general "bad ground" and caving conditions. The tunnel was advanced about 200 feet, of the required 350 feet to reach the shaft. The portal presently measures approximately 12 ft. x 12 ft. Vegetation in the area is sparse. The very large (estimated 500,000 tons) mine dumps from the Grand Central shaft are located directly north of and above the tunnel. Access into the tunnel is currently restricted by a locked gate that denies access to the property.

The Grand Central tunnel, was reopened subsequent to the 1974 law and needs to be closed and reclaimed. The reclamation and closure of this tunnel is the single most important task to be performed by Keystone et al. The plan to reclaim the Grand Central tunnel currently includes backfilling the tunnel portal adequate to provide for a permanent earth-works seal. Also the area immediately surrounding the portal where waste rock has been dumped will be smoothed out and re-vegetated. Keystone will

continue to maintain the gated and locked fence that encloses the area. Note the photographs attached of the Grand Central Tunnel and surrounding area.

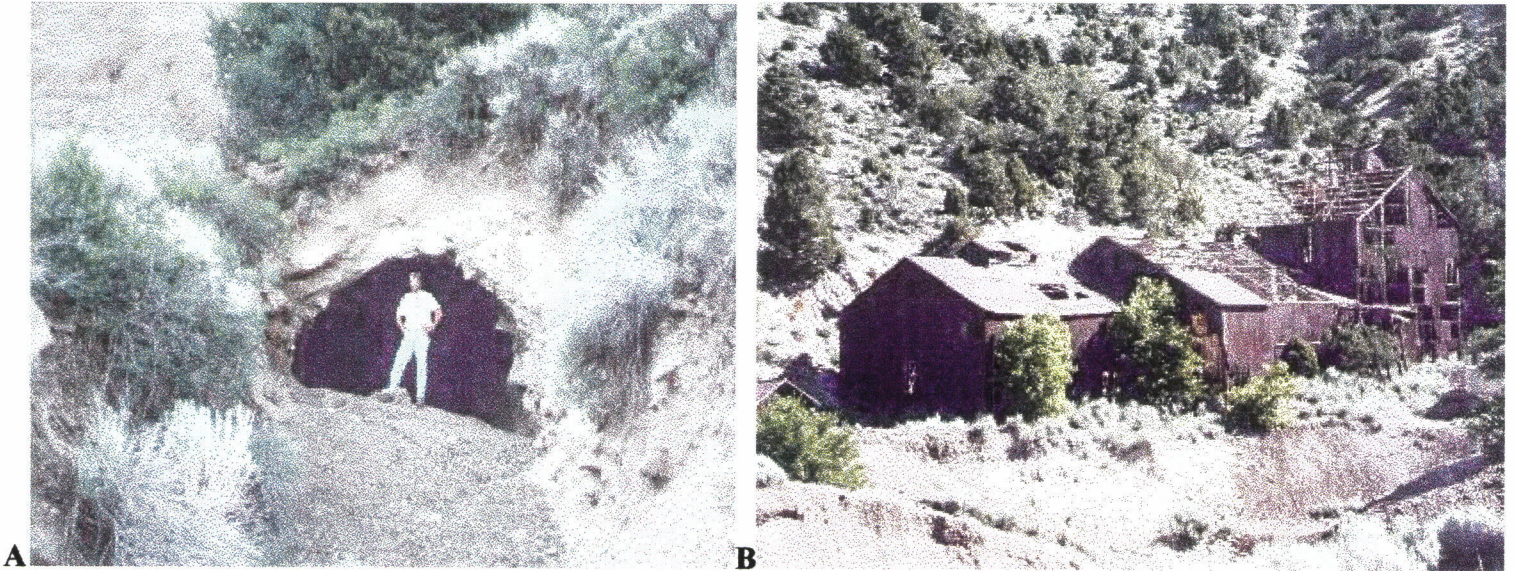


Photo A: The Grand Central tunnel. (204-16)

Photo B: The historic Grand Central shaft house. This was the first iron structure built east of the Mississippi River.

17. Carisa Tunnel

The Carisa tunnel is located 1000 ft. north of the Sioux Pass road on the eastern slope of Mammoth Ridge. The tunnel, having dimensions 6 ft. x 20 ft., was driven to the north prior to 1929, and is now partially caved.. The portal is partially sealed with unconsolidated material fallen from the hillside above. This tunnel connects with the shaft approximately 50 ft. inside the portal. The rock surrounding the tunnel is caving and appears to be unstable. The shaft is surrounded at the surface with a barbed wire fence mounted on tripod steel posts. Vegetation ranges from sage brush and sparse grasses to trees growing within ten feet of the opening. The tunnel is currently being occupied by several species of birds for nesting. There has been no post 1974 law disturbances other than entry and inspection. Recommendation for reclamation include additional fencing to enclose the shaft and tunnel openings.

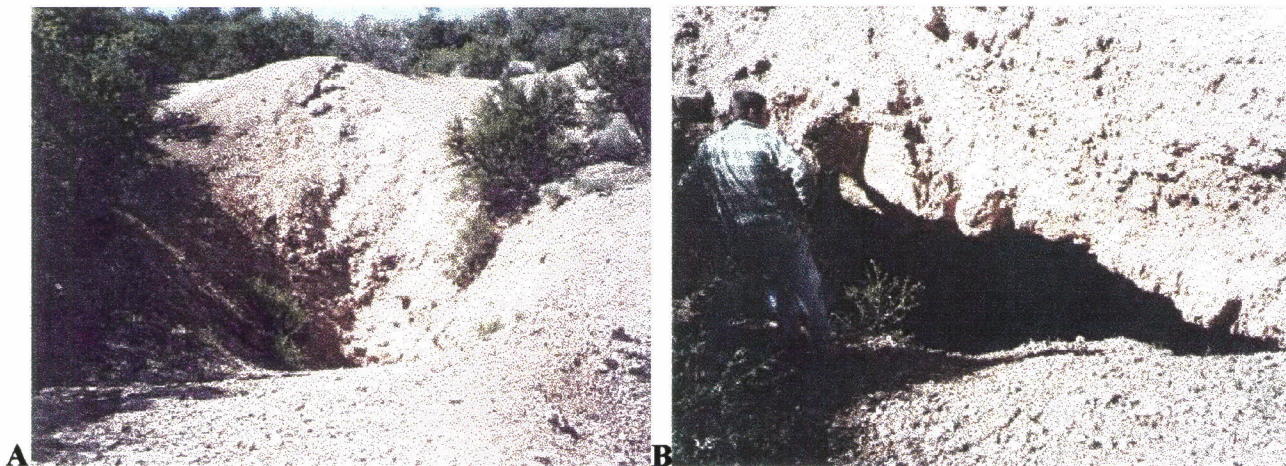
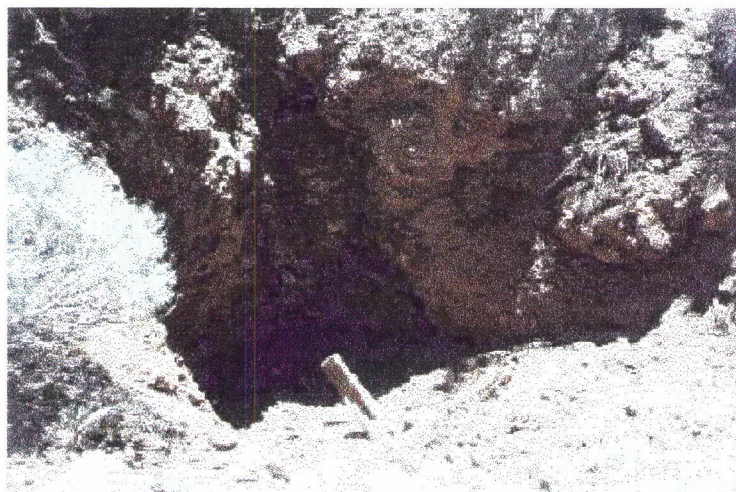


Photo A: The Carisa tunnel and the surrounding vegetation. The fencing around the shaft is visible in the upper right hand corner. (202-23)

Photo B: The opening to the Carisa tunnel, note the vegetation growing at the entrance. (202-18)

18. Boss Tweed Tunnel

The Boss Tweed tunnel has been sealed with the waste rock of the Red Rose mine. The area is heavily vegetated with various naturally occurring species of trees, grass and bush. The tunnel has been reclaimed through natural processes, and is presently scarcely visible. There is currently no danger created by this tunnel. The adjacent Boss Tweed shaft is currently filled to within 13 ft. of the surface. The Boss Tweed shaft and tunnel waste rock dump is located downhill to the south. There has been no post 1974 law disturbances at the Boss Tweed tunnel or shaft sites. Reclamation at this site is unnecessary. Photograph below.



The Boss Tweed shaft, showing the natural fill process occurring. Note the vegetation around the opening. (202-6)

19. Star Tunnel

The Star tunnel is located 2000 ft. southwest from the Boss Tweed shaft (see map). The tunnel was driven southeasterly to the upper levels of the North Star mine. The tunnel is located approximately 500 ft. west from the North Star shaft. The portal is heavily vegetated with several natural species of trees, grasses and brush and has been reclaimed by nature. There appears to have been no mining or exploration activity here for a century or more. See attached photo. There are no obvious waste rock dumps in the vicinity of the tunnel. Archived records indicate that all mining operations at the Star mine ended previous to 1910. The entrance is supported by a wooden frame structure that is in poor condition due to rotting and lack of maintenance. The tunnel is driven into unconsolidated alluvium and is caved at approximately 50 ft. The portal area is experiencing moderate caving and sluffing. The tunnel portal measures 6 ft. x 6 ft. There has been no post 1974 law disturbances at this site. Recommendation for reclamation include the bolting of wooden timbers to the portal to deny access, although because the tunnel is caved within 50 feet of the portal, it does not constitute a danger to the public and should be considered low priority.



The star tunnel, this photo shows the mine entrance and the variation of vegetation growing around the opening. (203-17)

14. Columbus Tunnel

The Columbus tunnel is located at the western base of Treasure Hill, situated approximately 2 miles southeast of Silver City. The tunnel is driven easterly into competent rock, and shows very little caving. Old maps show it extends underground for over 1000 feet in an easterly direction. Because of its length and unknown underground condition, it might constitute a danger to the public. The entrance to the tunnel is in good condition with only a small amount of caving. The portal measures 6 ft. x 6 ft. The area is naturally vegetated with trees, grasses, and brush. A gated fence at the Silver Pass road currently restricts access to the Columbus Tunnel. No post 1974 law disturbances have occurred. Recommendation for reclamation



Columbus tunnel and various species of vegetation (204-3)

B. Mammoth Mine Project – S/023/041

5. Butterfly Gap

The Butterfly gap road is located about 1000 feet north from the Mammoth mine center and was initially constructed about 1993 by Centurion Mines Corporation to provide access to 6 drill sites for drilling exploration from the surface of the Butterfly breccia pipe area which was accessed underground from both the Grand Central and Mammoth Mines. This is one of the most promising untested ore drill targets known in the entire Tintic Mining District. This area has a long history of legal disputes as to its ownership. This road was initially constructed at considerable expense to provide for access to 6 drill pads to permit the testing of this highly prospective potential ore target. Unfortunately Centurion Mines Corporation was unable to finance the high cost of exploratory drilling. The road is also used for access to the water tanks that supply running water to the Mammoth Mine Center, and for residential purposes in the upper Mammoth area. The road disturbance is approximately 2.1 acres.

The Butterfly gap area, including the presently existing road, is now owned by Keystone Surveys, Inc. Keystone acquired these lands in July 1998 for cash and other

consideration. Keystone is not a mining company, and does not intend to carry out an exploratory drilling program on this or any other portion of its Tintic Mining District properties. Keystone intends to develop the historic Mammoth mine site and adjacent properties for commercial purposes, primarily related to making a profit from its well known historic value and the mining artifacts and old mining ruins that are left over in the area from Tintic's days as a center of mining activity. The Tintic Mining District is truly a national historic treasure. As most travelers in central Utah are aware, road signs on all major highways leading to the Tintic Mining District, announce the "Tintic Historical Mining District". Since this access road to the upper elevations of the Butterfly gap (a natural gulch between the Grand Central and Mammoth mine area) is now in existence, it can be extremely valuable as an access road leading to panorama view sites and possible areas for further residential and commercial development. This road is entirely on privately owned land and its existence is a major asset to the Mammoth mine center development. This road was not built by Keystone, but by Centurion Mines Corporation, which was Keystone's predecessor in interest. This road is driven by someone almost daily to provide a birds-eye view of the very attractive (and rustic) historic south Tintic and Mammoth mine areas, the Mammoth mine center, and the Mammoth gulch. The upper Butterfly gap road also allows a distant view of Tintic Valley, the colorful West Tintic Mountains, the Intermountain Power Plant, and in the distance, the City of Delta. This valuable road access is an asset and should be allowed to remain intact for non-mining uses.

Suggestions regarding reclamation and remediation—While having pointed out the obvious value of the Butterfly gap road for non-mineral exploration and mining purposes, several actions can be taken to make the road more attractive and to cause it to better blend into the background. The road sides can be smoothed out and re-seeded. The drill pads can be converted into "turnarounds," and re-seeded. While it is unlikely that the Butterfly gap road will ever be used for its originally intended purpose, it is extremely valuable as an access road to an otherwise inaccessible portion of the Mammoth mine center property. By re-seeding and smoothing out the rough places, it can be made to look more attractive. This we are committed to do.



The Butterfly gap road. (199-1)

6. Mammoth Mine Area

The Mammoth mine area is located at the eastern end of Mammoth gulch. This locality has been converted from its originally mining related purpose to the center of a real estate/historical development project. Six of the old mining buildings have been restored and converted to non-mining uses. An effort has been made to leave enough of the old mining sites intact so that the historical flavor can be preserved. None of the Mammoth mine center buildings are suited for any mining related purpose in the industrial setting of the modern mining industry. The transition has been somewhat slow (because of financial limitations) but steady. The Mammoth mine center now includes the mine dumps, mining ruins (not yet restored), business offices, storage facilities and residential areas. Included at the Mammoth mine center are several key historical points of interest including the restored McIntyre Mansion (built about 1895), the old Mammoth mine office, the upper shaft house (still not restored), and a graveyard of historical mining equipment. Keystone et al have been working to do cleanup and fix-up, but with the goal not to destroy the historic appeal of one of the last working mines carried over from the 19th Century. We have completed the dismantling and removal of the antique ore chute (a danger to the public), restoration of and conversion of various antique mine buildings into historical and museum sites, or residential and business offices. We are still working on cleanup and the removal of sampling bags, drill core and trash. Waste rock dumps are located on the northern and western edges of the Mammoth Mine area. Further reclamation and restoration planned includes further cleanup of the surrounding Mammoth mine center and surrounding area, consistent with maintaining its 19th century mining flavor. I do not contemplate further mining or exploration work at Mammoth in my lifetime!!



The Mammoth area, looking west from the Gulf Stope. (205-22)

8. Mammoth Copper Oxide Adit

The Mammoth copper oxide adit is located immediately south of the Mammoth glory hole, and within the fenced perimeter. The area around the adit has been naturally revegetated by nature and extensive growth of brush, trees, and various grasses are present. The adit is currently boarded up and secured from access. No reclamation here is needed or appropriate other than making certain the existing fence remains intact. Refer to section 9 for the photo.

9. Road above Plummer Tunnel

The road above the plummer tunnel will be left open and maintained to allow access to the water tanks currently used to provide water to the Mammoth mine site for all purposes. It is also the access road to maintain the Mammoth glory hole fence and for possible fire control purposes. Since this road will need to stay open to access water tanks, fire control purposes, and access the Mammoth glory hole fence, reclamation is not appropriate. This road occupies an estimates .15 acres.



This photo shows the copper oxide adit as well as the road above the plummer tunnel. The adit is to the right of the Gulf Stope. (204-13)

10. Mammoth Hole-In-The-Wall Adit

The Mammoth Hole-In-The-Wall adit is located between the shaft house and the water tanks. It connects with the Mammoth shaft at the 200 ft. level. The opening is approximately 1 ft. x 2 ft. and is partially collapsed. The area is heavily vegetated with heavy brush, trees, and various grasses. There has been no post 1974 law activity. There is considerable waste rock adjoining the adit. This waste rock originated from several locations including Hole-In-The-Wall adit and the Gulf Stope. Post 1974 law consisted only of geologic sampling and inspection. Although the adit adds historical perspective

to the Mammoth mine site area, it could be dangerous and should be fenced or otherwise closed.



The Hole in the wall adit. Note the partial collapsing and the vegetation (205-21)

10. Mammoth Finn Tunnel

The Mammoth Finn tunnel is located approximately 600 ft. southeast from the Mammoth shaft. The Finn tunnel is driven northwest into competent rock and its portal measures 1 ft. x 2 ft. The only access to this tunnel is through the Mammoth mine site, two locked gates and a 24 hour watchman. The last work in the area was probably 100 or more years ago, and the area is well naturally vegetated. The tunnel is not visible through the vegetation. There is no evidence of waste rock or other waste in the area. The tunnel has experienced no post 1974 law disturbances. No reclamation is appropriate.



Mammoth Finn tunnel and surrounding vegetation (204-9)

10. Mammoth Hungarian Tunnel

The Mammoth Hungarian tunnel is located 200 ft. northwest of the Mammoth shaft. The tunnel is driven south into competent rock and its present portal measures approximately 4 ft. x 3 ft. The waste rock dump is minimal, covering an area less than 10 ft. in diameter. This area has experienced no post 1974 law disturbance. The last work was probably 100 or more years ago and the area is well naturally vegetated. The access is restricted by two locked gates and a 24 hour watchman. The tunnel does not constitute a danger and no reclamation is appropriate.



Mammoth Hungarian tunnel, note the vegetation growth at the entrance. (202-19)

10. Adit Under the Mammoth Shaft

Refer to Mammoth Hole-In-The-Wall adit. They are the same adit (see paragraph 10—three listings above).

11. Plummer Tunnel

The Plummer tunnel is located 150 ft. downhill and to the southwest from the Mammoth shaft. The Plummer tunnel is driven easterly into competent rock and its portal measures 6 ft. x 6 ft.. Currently the entrance to the tunnel is timbered and open. The area is moderately vegetated with heavy brush, trees, and various grasses. The ore shoot below the tunnel was recently dismantled and removed from the site. The tunnel was opened about 1993 by Centurion Mines Corporation and a new portal was installed and new timbers (where needed) inside the tunnel. An unsuccessful effort was made by Centurion

to obtain commercial production from an oxidized copper ore body accessed by this tunnel. There is some roadway and access disturbance adjacent to the tunnel, and the portal is currently accessible. Again, the area is protected from public access by two locked gates and a 24 hour watchman. The portal should be sealed with timber or using a combination of timber and chain linked fencing. Some reseeding of the portal area and access roadway should be carried out.



The entrance to the Plummer tunnel (199-2)

12. Nad Breccia Road

The Nad Breccia road is located 300 ft. southeast from the McIntyre mansion. The original road, which accesses the Phoenix claim area, was constructed at least 100 years ago using horses and scrapers. During 1993 the then existing Nad Breccia road was widened and improved (post 1974 law). Keystone plans to keep the road in service as access to panoramic tourist view sites that overlook the historic Emerald, Opex, and Grand Central mine areas, and across the town of Mammoth, the Tintic Valley and the West Tintic Mountains. This road provides access to possible future residential sites. The post 1974 law disturbance consists of widening and improving the road that was previously existing. The estimated disturbance is 1.0 acre. This road is entirely on privately owned land. Since this road is imperative to the growth of Mammoth, we urgently request that it remain open for non-mining purposes. Reclamation consisting of reseeding the road edges, cleanup of loose rocks and trimming natural overgrowth can be done.



The scenic Nad Breccia Road. (204-23)

13. Ajax Mine Adit and Drill Pad

The Ajax Mine adit and drill pad are located approximately 800 ft. southerly from the Mammoth mine center. The adit is adjacent to the drill pad. The area is moderately vegetated with several species of grass, tree, and brush. The Ajax mine adit portal is approximately 5 ft. x 20 ft. and driven into competent rock. The portal is experiencing moderate amount of caving, mostly of unconsolidated earth material at the portal. The waste rock dumps in this area are considerable in size and mix with dumps from various other mines including the Gold Chain. These mine waste rock dumps originated from mine development work performed prior to 1930. Except for the construction of the drill pad and setting timbers inside the mine adit, no post 1974 work has been performed. Keystone commits to completing the reclamation already mostly performed by Centurion. Keystone will complete reseeding of the drill pad and reinforce the closure of the Ajax mine adit.



The Ajax mine adit and drill pad, looking north.

14. Gold Chain Tunnel

The Gold Chain tunnel is located approximately 800 ft. north from the Ajax shaft (see map). The tunnel is driven northerly into competent rock and the portal measures 4ft x 4ft., and is open. The mine portal shows very little caving. The area is naturally vegetated with heavy brush and various grasses. The waste rock dumps for the tunnel mix with the Ajax workings. There has been no post 1974 law disturbance at this site. A fence or other barrier should be constructed to deny access to the tunnel.



Gold Chain tunnel and surrounding vegetation. (205-21)

15. Sioux-Ajax Tunnel

The Sioux-Ajax tunnel is located approximately 500 ft. southerly from the McIntyre mansion. The Sioux-Ajax tunnel is driven easterly into competent rock and its portal measures approximately 6 ft. x 5 ft. Currently the Sioux-Ajax tunnel is sealed with a locked modern timber gate, about 15 ft. inside the portal, which denies access. The timbered frame at the portal is in good condition. The area near the portal shows no caving and the entrance is in good condition. Moderate natural vegetation surrounds the area and includes various natural grasses and brush. The waste rock mine dumps from the tunnel are mixed with material from other mines including the Gold Chain and the Ajax. There has been no post 1974 law activity at this site except the retimbering inside the tunnel to permit underground sampling for mining exploration. This work was carried out by Centurion Mines Corporation, the predecessors to Keystone in ownership. Reclamation for this site has been completed.



The Sioux-Ajax tunnel, not visible because of the heavy shadow is the timbered gate. (205-10)

16. Lower Mammoth Tunnel

The Lower Mammoth tunnel is located approximately 1000 ft. west of the Ajax shaft, and downhill to the west from the Sioux Ajax tunnel. The lower Mammoth tunnel (which is really a mine shaft access adit) is driven south-southeasterly in competent rock to provide access to the underground Lower Mammoth underground shaft. The adit portal is 5 ft. x 5 ft. The area surrounding the tunnel is naturally vegetated with trees, brush and various grasses. The waste rock dumps are located downhill (westerly) from the portal. The Lower Mammoth tunnel is currently sealed with a locked steel grated gate. There has been no post 1974 law surface disturbances. However, Centurion reconstructed the adit portal in 1993 and new timbers were set inside the adit to permit safe entrance. A new

portal was constructed and the present secure steel gate was installed. There was no removal of waste rock from the adit. Reclamation at this site is complete.



Lower Mammoth tunnel showing shadowed view of steel gate. (199-15)

20. Nad Breccia Drill Pad

The Nad Breccia drill pad is located near the end of the Nad Breccia road, and about 1500 feet southeasterly from the McIntyre mansion. This pad has become part of the road itself and provides a very useful “turnaround.” This pad was constructed about 1993 and is partly reclaimed. Additional “smoothing” of the pad margins, and reseeding the portions of the pad that are not in use as a “turnaround” could be done. The pad needs to remain generally as it now exists for use as a part of the access road to the area. post 1974 law and is currently being used. Keystone will perform these reclamation tasks.

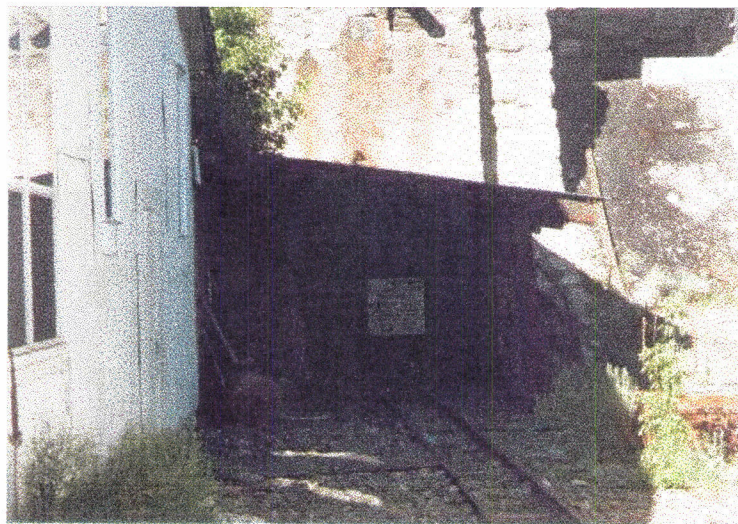


Nad Breccia Drill Pad and surrounding area. (199-26)

21. Mammoth 300 ft. Level Tunnel

The Mammoth 300' level tunnel is located between the dry and compressor buildings at the Mammoth Mine area. The tunnel was driven in 1908 easterly that connects with the Mammoth shaft on the 300 ft. level. Presently there is a shaft hoist station at that location. The surrounding rock is strong, and the tunnel is well maintained. The historic use of this tunnel was as the main access to the underground workings of the Mammoth mine, and the main haulage-way for ore. Currently this tunnel is sealed by a locked steel gate. Access is restricted by a locked gated road, a lock on the steel gate that is securely mounted at the tunnel portal, and a 24 hour watchman. This tunnel is gated and locked at all times.

The Mammoth 300 level tunnel is one of the prime “tourist attractions” at the Mammoth mine site. Electric lights have been installed inside, and other timbers made secure so that untrained people can go underground and “experience the excitement of actually entering an underground mine.” The Mammoth ore pillar surrounds the underground shaft opening (well gated of course) and samples can be taken by those interested. No reclamation is appropriate here—this tunnel and underground opening is just the way it needs to be to serve its new purpose as a tourist attraction in the “Historic Tintic Mining District”.



Mammoth 300ft level showing a shadowed view of locked steel gate. (204-1)

22. Mammoth Water Tanks

The historical Mammoth water tanks are located both 50 ft. above the shaft house and 150 ft. below. These tanks served the mine operations somewhere around the turn of the last century. These tanks are badly corroded and serve no purpose except to add to the historic Mammoth mine center experience. They are in stable condition and pose no danger. Keystone would like these old water tanks to remain where they are as

memorabilia from days long gone. No reclamation is required. It appears to me that these tanks have remained in their present position for at least a century.



Mammoth Water tanks

23. Mammoth Lower Tunnel Road (Ore Piles)

The Mammoth lower tunnel road and ore piles are located west from the Mammoth Mine site. This road was constructed at least 50 years ago and is currently being used as an alternate access to the residence and business offices at the Mammoth mine center site. The road is maintained and in good condition. The ore piles date from the active mining period at the Mammoth mine, which is probably prior to 1930. None of the ore piles and disturbance is post 1974. Since this road is currently being used and maintained and the mining dumps are old, no reclamation is necessary.



Picture showing ore piles west, north, and east of the Mammoth Mine site

25. Mammoth Mine Storage Area

The Mammoth mine storage area is located about 750 ft. southwest of the Mammoth Mine site and was constructed in 1993 to be an “out of sight” location for storing various antique mining related items that might have use in the future, and therefore should not be discarded. This storage area is surrounded by waste rock dumps from the Gold Chain and Ajax mines which obstruct visibility from the access road. It was constructed as a storage pad and occupies about .25 acres, and is out of sight except to those who walk or drive right up to it. There is some drill core and sample cuttings piled neatly there on the ground. Old equipment stored there includes a diamond drilling mud mixing tank, timbers, rails, and drilling rods. Everybody needs a storage yard for such things that are not in current use and should not be discarded. Current reclamation plans include making the area neat, partial reseeding, and the removal of those samples in bags that are from drilling on properties no longer owned by Keystone or Mammoth Mining Company. No other reclamation is planned or deemed appropriate at this site.



Picture showing Mammoth mine storage area

C. Discussion and Conclusions.

Most of the reclamation at the Eureka/Sunbeam/West Mammoth Exploration project sites have been completed by Centurion Mines Corporation (aka Grand Central Silver Mines, Inc.) and Keystone Surveys, Inc. previously to the present date. Keystone Surveys, Inc. acquired a portion of the lands previously owned by Centurion Mines Corporation in July, 1998, but did not acquire any of the Centurion owned mining leases or unpatented mining claims. The Dragon mine property was acquired by a Spokane, Washington based company under the control of William “Bill” Campbell.

In the above paragraphs, which are numbered to correspond to the lists provided to Keystone by the Department of Oil Gas and Mining, we have discussed each of the numbered sites. In almost every case photographs are attached that were taken within the

past 60 days that graphically reveals the surface of each of the numbered sites. In most cases, there has been no disturbance subsequent to the 1974 reclamation law. In the cases where post 1974 law disturbance has occurred, Keystone has identified what needs to be done; in every case, Keystone is committed to performing all necessary reclamation tasks.

The biggest task remaining is not the 1974 Law reclamation, but the sealing up of dangerous open mine excavations (mine adits, tunnels and shafts). While numerous excavations occur on lands owned or controlled by Keystone Services, Inc., the vast majority of these dangerous excavations occur on lands owned by unrelated parties.

The sealing of these numerous and dangerous ancient mine excavations remains the task of the appropriate Utah State and U.S. Government agencies, and not for the small, privately owned development company, Keystone Surveys Inc.

Members of the DOGM staff have explained that government funds, contributed by mining companies from a tax on the mining industry for the purpose of sealing and rendering safe the numerous mine excavations that currently pose threat to "life and limb" to the general public, are available.

The Management of Keystone Surveys, Inc. remains committed to fully cooperating with the Utah State and U.S. governmental agencies that are, by law, assigned this difficult task. The sealing up of literally hundreds of open mines excavations in the Tintic Mining District is, however, beyond Keystone's responsibility and financial capability.

As we are all aware, the mining industry, as we have known it, has now come to an end in the United States. No longer can American mines compete with those in other countries where labor costs are significantly less, mining permits are vastly easier to secure, and environmental laws are more lenient towards the industry.

Keystone Surveys, Inc. acknowledges this disparity, and, as a result, will not be entering the mining business. Keystone owns, in fee simple, approximately 4,000 acres in the Historic Tintic Mining District which it intends to develop as real estate, housing, recreational ski developments, and manufacturing sites. In other words, Keystone's developments will be restricted to surface development of this property.

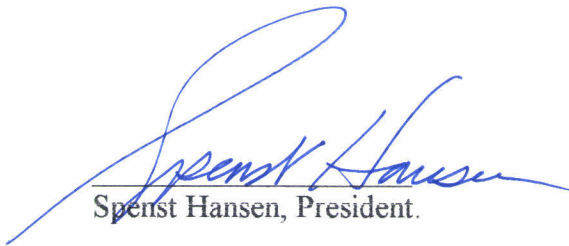
The property's historic charm, readily evident of the Tintic Mining District's glory-days, is expected to further enhance the inherent nostalgia Keystone's commercial and residential developments plan to showcase.

While Keystone accepts full responsibility for the reclamation of the post 1974 law disturbances on the land which it now owns, we respectfully ask DOGM to do its part.

By making the Tintic Mining District a safe environment in which people can live and work using the available mine closure funds to make safe the hundreds of existing pre 1974 mine excavations, either by filling or sealing them, the DOGM will ensure the general public's opportunity to safely enjoy the Historic Tintic Mining District.

Respectfully submitted this 14th day of July 2000.

KEYSTONE SURVEYS, INC.



Spenst Hansen, President.